

**City of Minneapolis**  
**Request for Committee Action**

**To:** Transportation & Public Works  
**Date:** 11/10/2015  
**From:** Public Works Department  
**Prepared by:** Suzette Hjermstad, Public Works Special Assessment Office  
Bob Carlson, P.E., Principal Professional Engineer

**Presented by:** Suzette Hjermstad  
**File type:** Resolution  
**Subcategory:** Assessment

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**Subject:**

Establish 2016 Construction, Street Renovation, Street Resurfacing and Alley Construction and Resurfacing Uniform Assessment Rates

**Description:**

Passing a Resolution establishing the 2016 street reconstruction, street renovation, street resurfacing and alley construction and resurfacing Uniform Assessment Rates

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**Ward/Address:**

N/A

**Background/Analysis:**

The City Council establishes yearly Uniform Assessment Rates (UAR) for Street Construction, Renovation, Resurfacing, and Alley Construction and Resurfacing projects. Streets that are constructed/reconstructed have an expected life of 40 years and are assessed over a 20 year term. Streets that are renovated have an expected life of 20 years and are assessed over a 10 year term. Streets that are resurfaced have an expected life of 10 years and are assessed over a 5 year term. The UAR is established rather than using costs specific to each project to provide consistency in rates between projects with varying costs.

**Street Construction, Renovation and Resurfacing**

Public Works is recommending a 2.5% rate increase to the 2015 street construction UAR to account for inflation associated with construction costs.

**Alley Construction and Alley Resurfacing**

Public Works is recommending a 2.5% rate increase to the 2015 UAR to account for inflation associated with construction costs.

**Proposed 2015 UAR**

Public Works proposes the following 2016 Uniform Assessment Rates.

**Table 1 Proposed 2016 Uniform Assessment Rates**

Improvement Category	Benefited Parcel Category	2016	2015	2014	2013
		Proposed Rate per sq ft	Approved Assessment Rate	Approved Assessment Rate	Approved Assessment Rate
<b>Construction</b>	Non-Residential	<b>\$2.52</b>	\$2.46	\$2.39	\$2.39
<b>Construction</b>	Residential	<b>\$0.84</b>	\$0.82	\$0.80	\$0.80
<b>Renovation</b>	Non-Residential	<b>\$1.26</b>	\$1.23	\$1.20	\$1.20
<b>Renovation</b>	Residential	<b>\$0.42</b>	\$0.41	\$0.40	\$0.40
<b>Resurfacing</b>	Non-Residential	<b>\$0.63</b>	\$0.62	\$0.60	\$0.60
<b>Resurfacing</b>	Residential	<b>\$0.21</b>	\$0.21	\$0.20	\$0.20
<b>Alley Construction</b>	Non-Residential Residential	<b>\$0.28</b>	\$0.27	\$0.26	n/a
<b>Alley Resurfacing</b>		<b>\$0.068</b>	\$0.067	\$0.065	\$0.065

cc: Jack Qvale, Secretary, Board of Estimate and Taxation

**Financial Review:**

**No additional appropriation required, amount included in current budget.**

**Attachments:**

1. Sample Assessments for Average City Lot

## ATTACHMENT #1

### Sample Assessments for Average City Lot

The potential assessments for an average size lot (40' x 125' or 5,000 sq ft) using the proposed

2016 uniform assessment rate are:

Project Type (Assessment Term)	Non-Residential	Residential
Construction (Assessed over 20 yrs)	@ \$2.52/ sq ft = \$12,600	@ \$.84/sq ft =\$4,200
Renovation (Assessed over 10 yrs)	@ \$1.26/sq ft = \$6,300	@ \$.42/sq ft=\$2,100
Resurfacing (Assessed over 5 yrs)	@ \$.63/sq ft = \$3,150	@ \$.21/sq ft =\$1,050
Alley Construction (Assessed over 10 yrs)	@ \$.28/sq ft = \$1,400	@ \$.28/sq ft =\$1,400
Alley Resurfacing (Assessed over 5 yrs)	@ \$.068/sq ft = \$340	@ \$.068/sq ft =\$340

**Definitions:**

Construction	street or alley paving, curb and gutter and other street paving related improvements.
Renovation:	mill and overlay of street surface and selected curb and gutter and street construction as needed.
Resurfacing:	mill and overlay of street/alley surface only.

**RESOLUTION  
OF THE  
CITY OF MINNEAPOLIS**

**By Reich**

**Establishing uniform assessment rates for street construction, street renovation, street resurfacing, and alley construction and resurfacing improvements for the 2016 calendar year.**

Whereas, the City Council adopted a policy on October 31, 1980, establishing yearly uniform assessment rates for similar improvements at various locations; and

Whereas, the City Council adopted assessment policies on May 22, 1998, June 12, 1998, and December 12, 2008, relating to residential and non-residential properties and relating to Local and Other streets; and

Whereas, the City Council adopted a policy on February 15, 2008, establishing the street resurfacing program and assessment policy relating to residential and non-residential properties; and

Whereas, the City Council adopted a policy on November 12, 2013, establishing the alley construction program and assessment policy relating to residential and non-residential properties; and

Whereas, the City Engineer has submitted the recommended 2016 Uniform Assessment Rates, as on file with the City Engineer's Special Assessment Office;

Now, Therefore, Be It Resolved by The City Council of the City of Minneapolis:

That the following rates are hereby established as the 2016 uniform assessment rates and are to be applied in determining the assessments for the benefited parcels for certain types of work to be constructed in the 2016 calendar year:

Construction (street paving, curb and gutter, and other street paving related improvements) – appropriate rate is applied to the land area of benefited parcels located within the street influence zone along the improved street:

\$2.52/sq ft – Non-Residential;

\$0.84/sq ft – Residential.

Renovation (mill and overlay of street surface and selected curb and gutter and street construction as needed) – appropriate rate is applied to the land area of benefited parcels located within the street influence zone along the improved street:

\$1.26/sq ft – Non-Residential;

\$0.42/sq ft – Residential.

Resurfacing (mill and overlay of street surface only) – appropriate rate is applied to the land area of benefited parcels located within the street influence zone along the improved street.

\$0.63 – Non-Residential;

\$0.21 – Residential.

Alley Construction (paving and other alley paving related improvements) – appropriate rate is applied to the land area of benefited parcels abutting the alley being improved.

\$0.28 – Non-Residential and Residential.

Alley Resurfacing (overlay concrete alleys with bituminous materials) – appropriate rate is applied to the land area of benefited parcels abutting the alley being improved.

\$0.068 – Non-Residential and Residential.